

FISCAL IMPACT STATEMENT ON BILL NO. **H.3615**

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TO: The Honorable Daniel T. "Dan" Cooper, Chairperson, House Ways and Means Committee  
FROM: Office of State Budget, Budget and Control Board  
ANALYSTS: Harry Bell, Trey Kannaday & Allan Kincaid  
DATE: May 21, 2007 SBD: 2007369

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AUTHOR: Representative G. R Smith PRIMARY CODE CITE: 6-1-317  
SUBJECT: Local Government Fiscal Accountability and Fairness Act

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:  
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:  
\$0 (No additional expenditures or savings are expected)

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**BILL SUMMARY:**

House Bill 3615 would enact the Local Government Fiscal Accountability and Fairness Act. Among other things the Bill would place a limit on annual spending increases for political subdivisions and school districts equal to annual increases in the consumer price index and the local population.

**EXPLANATION OF IMPACT:**

The State Department of Education

The State Department of Education estimates this Bill will have no fiscal impact on that agency. However, the Bill will impact reimbursements from the Homestead Exemption Fund to school districts.

State Budget and Control Board

A review of this Bill by the Board indicates there will be no impact on the General Fund of the State or on Federal and/or other funds.

**LOCAL GOVERNMENT IMPACT:**

The limit on spending increases may have an indirect impact on local government's ability to provide services and could jeopardize the receipt of federal and other grants depending on matching funds requirements.

**SPECIAL NOTES:**

The Board of Economic Advisors is the appropriate entity to address revenues impact associated with this or any other Bill

Approved by:



Harry Bell  
Assistant Director, Office of State Budget